



CANNON BUILDING
861 SILVER LAKE BLVD., SUITE 203
DOVER, DELAWARE 19904-2467

STATE OF DELAWARE
DEPARTMENT OF STATE

DIVISION OF PROFESSIONAL REGULATION

TELEPHONE: (302) 744-4500
FAX: (302) 739-2711
WEBSITE: WWW.DPR.DELAWARE.GOV

PUBLIC MEETING MINUTES:	BOARD OF ACCOUNTANCY
MEETING DATE AND TIME:	Wednesday, February 16, 2011 at 8:30 a.m.
PLACE:	861 Silver Lake Boulevard, Dover, Delaware Conference Room B , second floor of the Cannon Building
MINUTES APPROVED:	May 18, 2011

MEMBERS PRESENT

Robert Mosch, Professional Member, President
Michael Wollaston, Professional Member, Secretary
James Cohee, Professional Member
Sharron Cirillo, Professional Member
Robert Paretta, Educational Member
Judith Scarborough, Professional Member
Gary Pippin, Public Member
Carmetah Murray, Public Member

ABSENT

Jeffrey Premo, Professional Member

DIVISION STAFF/DEPUTY ATTORNEY GENERAL

Daniel Stevenson, Deputy Attorney General
Barbara Gadbois, DAG for the State
Diane Crockett, Administrative Specialist II
Roger Akin, Hearing Officer
Layton Ward, Investigator

ALSO PRESENT

Terry Burke, Court Reporter
Bernard Conaway, Campbell & Levine, LLC
Robert Kueppers, Deputy CEO of Deloitte & Touché, LLP
Robert Myer, Loeb & Loeb, LLP

William Ezzell, Deloitte & Touché, LLP
Jeffrey Cole, Deloitte & Touche, LLP

CALL TO ORDER

Mr. Mosch called the meeting to order at 8:45 a.m.

REVIEW OF MINUTES

A motion was made by Mr. Cohee, seconded by Mr. Paretta to approve the minutes of January 19, 2011 meeting. The motion was unanimously carried.

UNFINISHED BUSINESS

Disciplinary Hearing – Deloitte & Touché, LLP

Mr. Stevenson, Deputy Attorney General representing the Board of Accountancy stated the purpose for the hearing was based on a complaint filed with the Office of the Attorney General stating that Deloitte & Touche, LLP violated 24 Del.C. Section 117 (4) and (5), in that it has been subject to disciplinary sanction by Public Company Accounting Oversight Board (PCAOB).

Board members were introduced. Mr. Cohee, contact person for the Board, was recused from the hearing.

Mr. Stevenson marked into evidence, State Exhibit 1, a packet of documents which included copies of: Notice of Disciplinary Action against Deloitte & Touche, LLP, and Order Instituting Disciplinary Proceedings, Making Findings, and Imposing Sanctions from PCAOB.

Ms. Gadbois, State Deputy Attorney General, and Mr. Meyer, attorney for Deloitte & Touche, LLP gave opening statements.

Mr. Layton was sworn in by the court reporter and gave testimony and answered questions concerning his investigation of Deloitte & Touche, LLP.

Mr. Cohee was sworn in by the court reporter and gave testimony and answered questions concerning his involvement in the complaint and investigation process.

Mr. Kueppers was sworn in by the court reporter and gave testimony and answered questions concerning the quality control measures in place and follow-up inspections that are done to make sure partners of Deloitte & Touche, LLP are performing as expected.

Mr. Ezzell was sworn in by the court reporter and gave testimony and answered questions concerning the reciprocity issues of imposing a disciplinary action and the precedent that will take place and the affect it will have against the profession.

Ms. Gadbois, in closing, stated that based on the evidence presented, Deloitte & Touche, LLP is in violation of 24 Del.C. Section 117 (4) and (5) and that disciplinary action should be taken against them.

Mr. Meyer, in closing, stated that Deloitte & Touche, LLP has already been disciplined enough and that the Delaware Board of Accountancy should not place any additional discipline against them since the violation did not occur in DE and did not include and DE licensees.

The Board went off the record and into deliberations.

The Board went back on the record for Mr. Conaway who requested that the deliberations be put on the record. The Board denied his request as the precedent has always been to go off the record for deliberations and no part of law requires otherwise.

The Board went back off the record to continue deliberations.

The Board went back on the record and a motion was made by Mr. Mosch, seconded by Ms. Cirillo that the State has met its burden of proof as it pertains to Section 117 (4) and (5) and that Deloitte & Touche, LLP is in violation. A letter of reprimand will be issued. In addition, a fine of \$10,000 will be imposed, \$5,000 for each offense. The motion was unanimously carried.

A motion was made by Mr. Mosch, seconded by Ms. Cirillo to go off the record.

Verbatim testimony was taken by a court reporter.

Re-Review of Applications

A motion was made by Mr. Cohee, seconded by Mr. Paretta to approve the applications of Chisato Koyama, Nadine Stephens, Gaurang Shah, and Audley Porter. The motion was unanimously carried.

Signing of Decision and Order

Mr. Stevenson presented the Board with the Decision and Order from the Proposal to Deny hearing held on January 19, 2011 for Lisa Harvey-Cicione. The Board accepted and signed the Order as written.

Compliance to Decision and Order

A motion was by Mr. Mosch, seconded by Ms. Scarborough to revoke the licenses of Lily Yu Lai Cheung, Ovadia Mansur, and Shojiro Aono for not completing required CPE and not submitting the requested documents. The motion unanimously carried.

NEW BUSINESS

Ratification of CPA Certificate Applications

A motion was made by Mr. Cohee, seconded by Mr. Wollaston to ratify the applications of Emiko Yoshikawa, Sachiko Tsuruta, Julett Allie, Sang Eun Lee, Xian Xu, Miho Tokuoka, Won Young Yi, and Nicole Scott. The motion was unanimously carried.

Review of CPA Permit Applications

A motion was made by Mr. Wollaston, seconded by Ms. Scarborough, to approve the applications of Gary Brown, Wing Sze Chan, Yundong Che, Tatsuo Sekiguchi, Kevin Chou, Terence Cooper, and Amit Goswami and to table the applications of Taiji Tsuji pending completion of DE specific ethics and 8 additional hours of taxation, John Dyer, Hiroko Kato, and Amit Goswami pending completion of DE specific ethics.

Review of CPA Certificate and Permit to Practice Applications

A motion was made by Ms. Scarborough, seconded by Mr. Pippin to approve the applications of Annamarie Snitcher, Yen-Jung Chen, Tiffany Singleton, Jordan Schulties, Dharam Sachar, Roxanne Weisbrot, Humayun Qazi, Joo Hee Seo, Keith James, Renita Davis, Jonathan Patterson, Alexis Lynn, Brian Trout, and Sabeen Zuberi, and to table the applications of Alec Rife, due to supervisor's license being expired, Loreka Samuel, due to experience not under a U.S. licensed CPA, Se-Jung Jung, due to not enough experience based on education level, and Masaki Maehara, due to experience being only in bookkeeping.

Review of Firm Applications

A motion was made by Ms. Cirillo, seconded by Ms. Scarborough to approve the applications of Mary C. Heim, C.P.A., Gregory & Associates, LLC, and W.E. Krieg, P.A.

Review of Consent Order – Ronald Vascik, Jr.

A motion was made by Mr. Wollaston, seconded by Mr. Paretta, to accept the Consent Order for Ronald Vascik, Jr. regarding Complaints 04-07-09. The motion unanimously carried.

Complaint Status

04-02-08 – Hearing February 2011
04-03-08 – Hearing March 2011
04-12-08 – Closed
04-15-08 – Hearing March 2011
04-04-09 – Hearing May 2011
04-06-09 – Closed
04-07-09 – Hearing March 2011
04-10-09 – Closed
04-01-10 – Closed
04-02-10 – Open
04-03-10 – Open
04-07-10 – Open
04-01-11 – Open

Correspondence

The Board reviewed correspondence from Christopher Gilbert, who lives in Canada and has a DE Permit to Practice and questioned if he can take CPEs in Canada based on Canadian taxation. The Board approved.

OTHER BUSINESS BEFORE THE BOARD (for discussion only)

None

PUBLIC COMMENT

No public comment.

NEXT SCHEDULED MEETING

The next meeting will be held on Wednesday, March 16, 2011 at 9:00 a.m. in Conference Room B, second floor of the Cannon Building, 861 Silver Lake Boulevard, Dover, Delaware. The meeting will be for hearings only.

ADJOURNMENT

A motion was made by Mr. Mosch, seconded by Mr. Paretta to adjourn the meeting. The motion was unanimously carried. The meeting adjourned 1:00 p.m.

Respectfully submitted,

Diane Crockett
Administrative Specialist II